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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

IN RE LEHMAN BROTHERS HOLDINGS INC., <i>et al.</i>	S.D.N.Y. Bankr.
Debtors.	Chapter 11 Case No. 08-13555 (JMP)

**OBJECTION OF THE LORELEY NOTEHOLDERS TO THE
DEBTORS' ASSUMPTION OF CERTAIN DERIVATIVE CONTRACTS**

Loreley Financing (Jersey) No. 24 Ltd., and Loreley Financing (Jersey) No. 26, Ltd. (collectively, the “Loreley Noteholders”), holders of certain notes (the “Notes”) issued by Gemstone CDO VI, Ltd., Libra CDO Limited, and MKP Vela CBO Ltd. (collectively, the “Loreley Counterparties”), by and through their undersigned counsel, hereby file this objection (the “Objection”) to Lehman Brothers Special Financing Inc.’s assumption of all derivative

contracts entered into by the Loreley Counterparties (the “Loreley Derivative Contracts”) as set forth in the *Third Amended Joint Chapter 11 Plan of Lehman Brothers Holdings Inc. and its Affiliated Debtors* [Dkt. No. 19627] (the “Plan”) and the *Plan Supplement*, dated October 25, 2011 [Dkt. No. 21254] (the “Plan Supplement”) filed by the above-captioned debtors and debtors-in-possession (the “Debtors”). In support of its Objection, the Loreley Noteholders hereby adopts the arguments set forth in the *Objection of the Dante Noteholders to the Debtors’ Assumption of Certain Derivative Contracts*, dated November 4, 2011 (the “Dante Objection”) and respectfully represent as follows:

JOINDER

The Plan Supplement provides for the assumption of the Loreley Derivative Contracts by LBSF. Assumption, however, is impermissible because the Loreley Derivative Contracts have all been properly terminated pursuant to their terms. As a result of this termination, the Loreley Derivative Contracts are no longer executory contracts that LBSF can assume pursuant to 11 U.S.C. § 365. Accordingly, for the reasons fully set forth in the Dante Objection, which is based upon the termination of similar (but not identical) derivative contracts, this Court must deny the attempted assumption of the Loreley Derivative Contracts.

RESERVATION OF RIGHTS

The Loreley Noteholders expressly reserves its right to amend, modify, or supplement this Objection prior to the hearing on confirmation of the Plan.

CONCLUSION

Wherefore, the Loreley Noteholders files this Joinder adopting, as if set forth herein, the arguments set forth in the Dante Objection and respectfully request that the Court deny LBSF's attempt to assume the Loreley Derivative Contracts.

Dated: New York, New York
November 4, 2011

Respectfully submitted,

KASOWITZ, BENSON, TORRES
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By:/s/ Sheron Korpus

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